

MINUTES ADOPTED BY CITY COUNCIL

Greenville, NC
June 9, 2005

The Greenville City Council met in a regular meeting on the above date at 7:00 PM in the City Council Chambers, third floor of the Municipal Building, with Mayor Robert D. Parrott presiding. The meeting was called to order, followed by the invocation by Council Member Ray Craft. The presentation of colors was done by the Fire/Rescue Honor Guard in recognition of Flag Day, followed by the pledge of allegiance to the flag. The following were present.

Mayor Robert D. Parrott
Mayor Pro-Tem Ric Miller
Council Member Mildred A. Council
Council Member Ray Craft
Council Member Pat Dunn
Council Member Rose H. Glover
Council Member Chip Little
Wayne Bowers, City Manager
Wanda T. Elks, City Clerk
David A. Holec, City Attorney

APPROVAL OF AGENDA

Motion was made by Mayor Pro-Tem Miller and seconded by Council Member Council to approve the agenda as presented. Motion carried unanimously.

SPECIAL RECOGNITIONS

Mayor Parrott recognized and presented congratulatory certificates to the Hightower Hoopsters, a 15U AAU Basketball Team that has qualified to attend the Nationals in Arkansas in July. The players were Nicholas Adams, Devon Atkinson, Terrell Barrett, Garrison Cherry, Arkea Crumble, Kajon Farrow, Lamar Hines, Steffen McGhee, Jaquan Nobles, Malcolm Rook, Jonathan Setters, Demetrius Staton, and Tre White. The Head Coach was Darrick Mullins. Assistant Coaches included Darin White and Terrance Demingo.

APPOINTMENTS TO BOARDS AND COMMISSIONS

Affordable Housing Loan Committee

Council Member Little requested that the appointment for the Affordable Housing Loan Committee be continued to August 2005.

Board of Adjustment

Motion was made by Council Member At-Large Dunn and seconded by Council Member Little to reappoint Thomas Harwell for a second three-year term expiring June 2008 and to reappoint Mulatu Wubneh for a first three-year term expiring June 2008. Motion carried unanimously.

Community Appearance Commission

Motion was made by Council Member Craft and seconded by Council Member Glover to appoint L. Jean Palmer-Moloney for a first three-year term expiring April 2008, replacing Sonny Barr, who is ineligible for reappointment; to appoint Jackie Wyman for a first three-year term expiring July 2008 replacing Doug Marlowe, who is ineligible for reappointment; and to reappoint LaVeta Weatherington for a second three-year term expiring July 2008. Motion carried unanimously.

Greenville Utilities Commission

Motion was made by Mayor Pro-Tem Miller and seconded by Council Member Little to reappoint Louis Zincone for a second three-year term expiring June 30, 2008 and to continue the appointment of the County representative since no recommendation has been received from the Council. Motion carried unanimously.

Historic Preservation Commission

Motion was made by Council Member Council and seconded by Mayor Pro-Tem Miller to appoint Dennis Chestnut to fill an unexpired term expiring January 2006 replacing Vonda Rodriguez, who resigned. Motion carried unanimously.

Pitt-Greenville Convention and Visitors Authority

Motion was made by Council Member Council and seconded by Council Member Dunn to appoint Dr. Robert Mason for the “resident not involved in tourist or convention-related business” slot for a first three-year term expiring July 2008 replacing Austin Bunch, who is ineligible for reappointment; to continue the position currently filled by Richard Garafolo; and to recommend that Pitt County reappoint Dawn Cribari for a second three-year term expiring July 2008 and Thomas Hines for a first three-year term expiring July 2008. Motion carried unanimously.

Recreation and Parks Commission

Upon a recommendation by Mayor Parrott, motion was made by Council Member Little and seconded by Council Member Council to appoint Jerry Clark for a first three-year term expiring June 2008 replacing Mark Dellasega, who is ineligible for reappointment and to appoint Sue Aldridge for a first three-year term expiring June 2008 replacing Shirley Ebron, who is ineligible for reappointment. Motion carried unanimously.

RESOLUTION CLOSING AN UNIMPROVED PORTION OF CLAREDON DRIVE -
ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on February 14, 21 and 28 and March 7, 2005 setting a time, date and place for a public hearing to consider a resolution to close an unimproved portion of Claredon Drive, and the public hearing was subsequently continued by action of City Council to this meeting.

Mr. David Brown, City Engineer, reminded the Council that the resolution of intent to close an unimproved portion of Claredon Drive extending approximately 130 feet from the eastern right-of-way of Granville Drive was adopted by City Council on February 10, 2005, and the public hearing date of March 10, 2005 was established. During the March 10 meeting, City Council received a request from the petitioner to continue the public hearing until May 12, 2005. At the May 12 meeting, City Council received a request from a property owner that lives adjacent to the unimproved portion of Claredon Drive to continue the request. After discussion, City Council voted to continue the public hearing and consideration of an order to close the unimproved portion of Claredon Drive until their June 9 meeting. There are currently seven alternate points of access to the subdivision and three future connections as a result of future development. Therefore, staff has no objection to the street closing.

Mayor Parrott declared the public hearing open and solicited comments from the audience.

Mr. Fred Mattox stated that in 1961 Claredon Drive was put in, anticipating that there would be a 20-acre school site behind it (the location of the current Lynndale Townes). Greenville Boulevard was two lanes at that time. Now that Greenville Boulevard is a major thoroughfare and the school site has been developed for another use, Claredon Drive is not needed.

Mr. Frank Trotter of 200 Granville Drive stated that he supports the closing of the street. Granville Drive currently has two cuts.

Dr. Bill McConnell stated that he owns a home contiguous to this property and is in opposition to the opening of the road. He has been aware of its existence of the potential for this road for 36 years. He has no interest in having a street there.

Ms. Jackie Leonard of 201 Granville Drive stated that her property is most affected by the closing of this street. It would reduce her property value by \$24,000 and would take her 2.5 times longer to sell it if she put it on the market. Closing this street would put a financial hardship on her and would also turn her residential property into buffer property.

Upon being asked by Mayor Parrott how much buffer there is between her property and the restaurant, Ms. Leonard stated that she did not remember.

Upon being asked if her position would change if a restaurant was not proposed, Ms. Leonard responded that was not the question.

Mr. Jonathan Powers of Lynndale Subdivision stated that his family is concerned about this request. This property serves as a valuable buffer for safety and security. He asked the Council to give weight to the property owners in making the decision.

Mayor Parrott asked if Mr. Powers sees any safety problems with the street being put in, and Mr. Powers responded that it is very difficult to exit Lynndale. If future development brings additional traffic to the area, that may increase traffic in that part of the neighborhood, which increases traffic to the area. If it is closed, it may increase the traffic. He would prefer to see a buffer of 50 to 75 feet maintained and for it to be maintained in its natural state as it is today. If the closure harms the neighborhood or decreases the property value, it shouldn't take place.

There being no further comments, the public hearing was closed.

City Attorney Dave Holec stated the statutory findings that Council is to consider in making this decision. The Council can hear and consider the proposed restaurant development since it relates to the statutory finding of whether the closure is not contrary to the public interest. There are also other factors adding to the statutory finding to consider. The restrictions that the Board of Adjustment placed on the special use permit for the proposed restaurant are binding where the restaurant is concerned.

Mr. Greg Styers stated that the conditions on the restaurant (proposed Tripp's Restaurant) set forth require an undisturbed area ranging from 75 to 159 feet.

Council Member Craft stated that he received a letter from Bob Pittman stating that he is not in opposition to this request, and he also talked with Richard Crisp, who indicated that he is not in opposition.

Motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to adopt the resolution for the Order to close an unimproved portion of Claredon Drive extending approximately 130 feet from the eastern right-of-way of Granville Drive. Motion carried unanimously. (Resolution No. 05-40)

ORDINANCE REZONING EVANS STREET FOUR, LLC PROPERTY LOCATED ALONG EASTERN RIGHT-OF-WAY OF EVANS STREET, SOUTH OF BRADBURY ROAD, SOUTH OF FORK SWAMP CANAL, AND EAST OF COASTAL AGROBUSINESS CORPORATION AS FOLLOWS: TRACT 1 FROM R-6 TO 0 AND TRACT 2 FROM R-6 TO 0 - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23 and May 30, 2005 setting this time, date and place for a public hearing to consider a request by Evans Street Four, LLC to rezone two tracts totaling 8.323 acres located along the eastern right-of-way of Evans Street, 250± feet south of Bradbury Road, south of Fork Swamp Canal, and east of Coastal Agrobusiness Corporation, as follows: Tract 1 from R6 to O and Tract 2 from R6 to O. At its April 19, 2005 meeting, the Planning and Zoning Commission voted to recommend denial of the request.

Mr. Harry Hamilton, Chief Planner, delineated the property on a map and stated that this request is to rezone property from High Density Residential to Office. There is a considerable amount of new subdivision activity in the area. Tract 1 is located to the north of Trellis Court and Tract 2 is located to the south extending to Oak Towne Drive. There is a drainage easement on Tract 2. Along Evans Street is Coastal Chemical Agro-business, offices, existing residential dwelling, apartments and townhomes. Mr. Hamilton indicated the location of the preliminary plat for Paramore Farms and Fork Swamp Canal in relation to this request and presented a map indicating the existing land use in the area which include multi-family, office development, industrial, single family variations and vacant land. Mr. Hamilton presented a map that indicates the existing multi-family in the area and stated that Tracts 1 and 2 are currently zoned for multi-family and at maximum density, could yield 140 new units on the two tracts. In the immediate area, there are 344 units. To the north is Willoughby Park, which includes an additional 276 units. A site plan of White Oak Apartments was presented that indicates the easement separating Tract 2. The preliminary plat for White Oak Apartments has been approved for 96 units. Mr. Hamilton presented a map indicating the flood plain area, which does not extend to the site. There are no environmental limitations on the site that would prohibit development. The City has a Greenway Plan that indicates a future greenway corridor along Fork Swamp Canal that impacts the northern border of Tract 1. The developer will be required during site plan review to have a 50-foot wide easement from the top of the bank. The corridor plan map is used in conjunction with the Land Use Plan Map to identify the type of uses that would be encouraged along the major roadways. From Greenville Boulevard south to the entrance to Bedford Subdivision is recommended for a connector corridor. Intensive uses along that corridor would be anticipated. The area south extending to Fire Tower Road is recommended for a residential corridor. Non-residential development should be discouraged; however, there would be some circumstances where Office zoning might be appropriate in certain circumstances.

Mr. Hamilton continued by stating that there is a neighborhood focus area at Evans Street and Greenville Boulevard immediately north of this location. It is anticipated that the intensive development will be centered on this northern focus area site. There is presently a 13-acre heavy commercial zone located between Coastal Chemical and Willoughby Park. Mr. Hamilton presented the Thoroughfare Plan Map indicating Evans Street as a major thoroughfare and stated that the map shows a minor thoroughfare, which would be the extension of Thomas Langston Road to Evans Street, which intersects Evans Street at Regency Drive. Currently, Evans Street Extension is a three or four lane road and designed to carry 13,000 trips; the current volume of traffic is 18,000. Thomas Langston Road is proposed for a 4-lane divided roadway with a designed average daily trip count of 35,000, which would relieve congestion along Evans Street Extension. Mr. Hamilton stated that in conjunction with the corridor plan map, the areas south of Fork Swamp Canal extending to Fire Tower Road are reserved for residential development on the Land Use Plan. Office development would only be encouraged in this area if used as a transition area to separate incompatible land uses from adjacent residential development. The property to the south, near Fork Swamp Canal, is recommended for high density residential. This area should remain as R6 zoning unless the applicant can demonstrate the need to provide buffering for the interior neighborhood. Mr. Hamilton stated that, in staff's opinion, Tracts 1 and 2 north of the drainage easement are recommended for Office zoning. Areas to the south should be limited unless it can be demonstrated by the applicant there is a need for introducing that buffer zone in replacement of the residential zone. Mr. Hamilton made reference to a private

agreement between the past property owner and adjacent property owners included in the packets. The City is not bound by the agreement.

Mr. Hamilton concluded by stating that in February 2001, a subsequent petition to rezone the same property to O, as previously requested and denied in 1997, was once again denied. Based on possible uses permitted by the requested rezoning, the proposed rezoning classification could generate up to 825 trips to and from the site on Evans Street, which is a net increase of up to 550 additional trips per day. Mitigation measures such as turn lanes may be required at the time of development. Tracts 1 and 2 are currently vacant. A portion of Tract 2, south of the drainage easement, is part of an approved development site plan for White Oak Creek Apartments containing 96 units; however, no proposed apartments, drives or parking improvements are located within the portion of the parent tract proposed for rezoning. The previously approved multi-family development plan has been reviewed by the City's Site Plan Administrator, with respect to this request, and the rezoning as proposed will not affect the unit density or layout of buildings and improvements. Under the current R-6 zoning, there would be 30 units at 12 units per acre and 43 units at 17 units per acre on Tract 1 and 69 units at 12 per acre and 98 units at 17 per acre on Tract 2. There are currently 344 multi-family units either constructed or approved for construction in the immediate area of Evans Street between Caversham Road and Oak Towne Drive. If developed for multi-family, the two tracts would add an additional 141 units at maximum density, for a total of 485 multi-family units under the current R-6 zoning. The proposed O zoning is in general compliance with the Comprehensive Plan in the northern area, including all of Tract 1 and the portion of Tract 2 north of the drainage easement. It is in general compliance with the Plan provided that the Planning and Zoning Commission and City Council determine the office zoning option on the southern portion of Tract 2 is a warranted transition buffer to interior residential development and is located in proximity to collector and connector thoroughfares. Absent such determination, the request for O zoning in the southern portion of Tract 2 would not be considered as appropriate, and the zoning in that area should remain R6 in accordance with past actions.

Mayor Parrott declared the public hearing open and solicited comments from the audience.

Mr. Mike Baldwin, representing Evans Street Four, LLC, spoke on behalf of the request. Mr. Baldwin stated that with the exception of criteria "D", Impact on area streets and thoroughfares, the request satisfies the zoning map requirements. Mr. Baldwin stated that the Office zoning is designed to accommodate a compatible mix of business, professional and institutional uses, in addition to providing a desirable buffer between commercial and low-density residential uses. Mr. Baldwin stated that the request for Office zoning is a direct continuation of the present zoning of Office. Mr. Baldwin gave thirteen examples of where other requests are exactly the same. Mr. Baldwin made reference to the Rezoning Request Analysis which states, "The O (office) district is an available zoning option where low intensity non-residential use is desired to separate residential development from incompatible and intrusive activities or uses that may effect the long term livability of intervening and/or abutting properties." In this case, the Coastal Chemical Agro-business industrial establishment warrants consideration as an incompatible adjacent activity and the noise and traffic of Evans Street should have a buffer as well. Mr. Baldwin stated that Offices promotes health, safety and welfare as opposed to residential development adjacent to Evans Street.

Mr. Daniel Foster, resident of White Oak Creek Townhomes, spoke in opposition. Mr. Foster stated the previous Council was correct in zoning this property R6 and nothing has changed to justify a zoning reclassification. Mr. Foster stated that traffic and traffic congestion since 2001 have gotten worse. Office buildings will only magnify the traffic problems. Even if the road network is expanded, it will not be in the best interest of the neighborhood concept for office buildings. Office buildings, as seen by the White Oak Townhome community, depreciate land values and will increase the traffic volumes. Mr. Foster stated there are other ways to utilize this property other than building offices or commercial structures in a designated residential high-density multi-family environment. Mr. Foster concluded by stating that this Council has been in favor of diversity and affordable housing, and the proposed office zoning does not fit that criteria.

Mr. Herb Garrison of Southhampton Court expressed his opposition to this request, stating that it is not what was intended by the Comprehensive Plan. It is contrary to the wishes of the Planning and Zoning Commission and is a lose/win situation for that part of Evans Street.

There being no further comments, the public hearing was closed.

Council Member Little thanked the residents for meeting with Council Member Dunn and him to discuss what is going on in this area. The concern is that Mr. Baldwin is trying to align offices across the street with office on the other side of the street. Evans Street is the dividing line. Everything on one side is residential and office should be on the other as currently laid out. When Mr. Foster bought his unit, that portion of Tract 2 was zoned multi-family. Council Member Little stated that he has not seen a reason to warrant the change.

Council Member Craft stated that the bottom portion is in compliance with the Comprehensive Plan; however, it is not set in stone. The person making the request needs to give a compelling case to change it. He has done that by the presentation made. He can't understand why anybody would not want to see an office complex instead of multi-family development.

Council Member Dunn asked if the petitioners were interested in a compromise, and Mr. Baldwin responded that they were not for the reasons stated. They feel the proposal is in the best interest in this situation with the plans for Thomas Langston Road at that intersection.

Motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to adopt the ordinance rezoning two tracts totaling 8.323 acres located along the eastern right-of-way of Evans Street, 250± feet south of Bradbury Road, south of Fork Swamp Canal, and east of Coastal Agrobusiness Corporation, as follows: Tract 1 from R6 to O and Tract 2 from R6 to O. Motion carried with a vote of 4:2. Mayor Pro-Tem Miller and Council Members Glover, Council and Craft voted in favor of the motion. Council Members Little and Dunn voted in opposition. (Ordinance No. 05-72)

ORDINANCE REZONING THE COVENGTON GROUP, LTD. PROPERTY LOCATED ADJACENT TO NORTHERN RIGHT-OF-WAY OF FIRE TOWER ROAD, EAST OF WIMBLEDON DRIVE, SOUTH OF CARMIKE THEATRE, EAST OF FUDDRUCKER'S RESTAURANT, AND WEST OF BASIL'S RESTAURANT, FROM OR TO CG - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23 and May 30, 2005 setting this time, date and place for a public hearing to consider a request by The Covengton Group, Ltd to rezone a 1.862 acre tract located adjacent to the northern right-of-way of Fire Tower Road, 270 feet east of Wimbledon Drive, south of the Carmike Theatre, east of Fuddrucker's Restaurant, and west of Basil's Restaurant, from OR to CG. The Planning and Zoning Commission voted to recommend approval of the request at its May 17, 2005 meeting.

Mr. Harry Hamilton, Chief Planner, delineated the property on a map and stated that this is a request to rezone property from Office-Residential to General Commercial. The property is located off East Fire Tower Road and east of Wimbledon Drive. The existing Land Use Map indicates a variety of uses that include multi-family and commercial. The focus area is centered around the Covengton Downes development. The Thoroughfare Plan Map indicates the property has direct frontage to a major thoroughfare. The entire area has gone through many changes including 19 rezoning requests around the Fire Tower-Arlington Boulevard Corridor. There have been amendments to the Thoroughfare Plan, the relocation of Fire Tower Road and construction of major thoroughfares. In 1980 there were 75 acres of commercial and office zoning located to the west and east along NC Highway 43 and north of the property on Arlington Boulevard. In 1993 a study committee reviewed and recommended that commercial zoning be restricted along Arlington Boulevard, NC Highway 43 and to the west along Fire Tower Road. The Land Use Plan Map indicates the commercial area and maintains the office-institutional transition barrier to the commercial area along Fire Tower Road. Mr. Hamilton stated that in staff's opinion, this request is a small addition to the commercial area. It would not contribute significantly to any impact and would maintain the office buffer. Mr. Hamilton concluded by stating that, in staff's opinion, the request is in compliance with the Comprehensive Plan.

Mayor Parrott declared the public hearing open and solicited comments from the audience.

Mr. Mike Baldwin, representing the petitioner, stated that the request does meet the Comprehensive Plan and the specific criteria. Mr. Baldwin stated that he would answer any questions.

There being no further comments, the public hearing was closed.

Motion was made by Council Member Dunn and seconded by Council Member Council to adopt the ordinance rezoning a 1.862 acre tract located adjacent to the northern right-of-way of Fire Tower Road, 270 feet east of Wimbledon Drive, south of the Carmike Theatre, east of Fuddrucker's Restaurant, and west of Basil's Restaurant, from OR to CG. Motion carried unanimously. (Ordinance No. 05-54)

ORDINANCE REZONING MARY ANNA SHUPING PROPERTY LOCATED ADJACENT TO EASTERN RIGHT-OF-WAY OF DICKINSON AVENUE, NORTH OF ARLINGTON BOULEVARD AND SOUTH OF WESTWOOD SUBDIVISION, FROM R9 TO O - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23 and May 30, 2005 setting this time, date and place for a public hearing to consider a request by Mary Anna Shuping to rezone 0.4959 acres located adjacent to the eastern right-of-way of Dickinson Avenue, 150 feet north of Arlington Boulevard and south of Westwood Subdivision, from R9 to O. The Planning and Zoning Commission voted to recommend approval of the request at its May 17, 2005 meeting.

Mr. Harry Hamilton, Chief Planner, delineated the property on a map and stated that this request is to rezone property from Residential Medium Density to Office. The property is located off Dickinson Avenue, north of Arlington Boulevard and south of Westwood Subdivision. It is anticipated that the property will be developed for offices. The property is not impacted by the floodplain. The property is located at the intersection of two connector corridors. The Land Use Plan Map recommends office development along Arlington Boulevard in lieu of commercial, which should be restricted to the area around Memorial Drive, W. H. Smith Boulevard and the entrance to Spring Forest Drive. In staff's opinion, the areas or lots outside of the Westwood Subdivision that have frontage back onto Arlington Boulevard should be developed for office in lieu of any other type of non-residential development. Mr. Hamilton concluded by stating that, in staff's opinion, the request is in compliance with the Comprehensive Plan.

Mayor Parrott declared the public hearing open and solicited comments from the audience.

Mr. Ken Malpass, representing the applicant, spoke on behalf of the request. Mr. Malpass stated that Mr. David Hill plans to combine this property with the adjacent property on Arlington Boulevard.

There being no further comments, the public hearing was closed.

Motion was made by Council Member Council and seconded by Council Member Little to adopt the ordinance rezoning 0.4959 acres located adjacent to the eastern right-of-way of Dickinson Avenue, 150 feet north of Arlington Boulevard and south of Westwood Subdivision, from R9 to O. Motion carried unanimously. (Ordinance No. 05-55)

ORDINANCE REZONING DVML, LLC PROPERTY LOCATED NORTH OF ASHCROFT VILLAGE SUBDIVISION, SECTION 2, WEST OF SUMMERHAVEN SUBDIVISION, SECTION 2, AND EAST OF BEDFORD SUBDIVISION, SECTION 8, FROM RA20 TO R9S - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23 and May 30, 2005 setting this time, date and place for a public hearing to consider a request by DVML, LLC to rezone a 6.084 acre tract located north of Ashcroft Village Subdivision, Section 2, west of Summerhaven Subdivision, Section 2, and east of Bedford

Subdivision, Section 8, from RA20 to R9S. At its May 17, 2005 meeting, the Planning and Zoning Commission voted to recommend approval of the request.

Mr. Harry Hamilton, Chief Planner, delineated the property on a map and stated that this is a request to rezone property from Residential-Agricultural to Residential-Single Family Medium Density. Mr. Hamilton presented a map indicating preliminary plat approved streets. There is an interconnecting street system between Summerhaven and Ashcroft and this road interconnects with Bedford Subdivision. There is no opportunity for a future street to connect from the rezoning area through to Summerhaven Subdivision. Mr. Hamilton explained that on the map the property is indicated as future recreation area and a stormwater detention area. The Director of Recreation and Parks, Boyd Lee, has been consulted with respect to the potential elimination of the recreation area and is of the opinion that the newly acquired park land, donated by Bill Clark, will be sufficient to serve the recreational needs of the general area. There is a Greenway Corridor separating Summerhaven from this property to the west. There are 50-foot greenway buffers and Riparian Buffers that would be observed prior to development. The Land Use Plan Map recommends medium density residential for the area extending between Summerhaven Subdivision and Bedford Subdivision. Mr. Hamilton stated that the request is in compliance with the Comprehensive Plan.

Mayor Parrott declared the public hearing open and solicited comments from the audience.

Mr. Mike Baldwin, representing the applicants (David Vaughn and Mason Lilley), stated that with the park available, it opens this property up for development. He stated that he would be glad to answer any questions.

There being no further comments, the public hearing was closed.

Motion was made by Council Member Dunn and seconded by Council Member Council to adopt the ordinance rezoning a 6.084 acre tract located north of Ashcroft Village Subdivision, Section 2, west of Summerhaven Subdivision, Section 2, and east of Bedford Subdivision, Section 8, from RA20 to R9S. Motion carried unanimously. (Ordinance No. 05-56)

ORDINANCE REZONING HODGE AND MORRIS, LLC PROPERTY LOCATED NORTH OF ALLEN RIDGE ROAD, WEST OF ALLEN ROAD, AND NORTH OF TEAKWOOD SUBDIVISION, FROM OR TO R9S – DENIED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23 and May 30, 2005 setting this time, date and place for a public hearing to consider a request by Hodge and Morris, LLC to rezone a 7.4 acre tract north of Allen Ridge Road, 350 feet west of Allen Road, and 500 feet north of Teakwood Subdivision, from OR to R9S. The Planning and Zoning Commission voted to recommend denial of the request at its May 17, 2005 meeting.

Mr. Harry Hamilton, Chief Planner, delineated the property on a map and stated that this is a request to rezone 7.4 acres from Office-Residential High Density Multi-family to Residential-Single-Family. The property is located to the west of Allen Road. The existing or approved street pattern will interconnect some of these areas. Teakwood doesn't have any connection with

the property to the south, but the subject property has a street stub connecting Teakwood to this property and an approved preliminary plat for connection to the industrial area. This general area is between Allen Road, which is a thoroughfare street, and the future southwest corridor area. The rezoning map that was submitted involves 23 preliminary platted lots and three terminal cul-de-sacs. The aerial photo shows the location of the industrial area to the north. In 2003 there were a number of mini-storage warehouses. There are around 50 buildings within that area and over 1700 units, so it is a very large mini-storage warehouse facility immediately north of this property. The existing land uses within the area are commercial, expanding industrial area, Woodridge Commercial Park, single-family development in Teakwood. There are a number of single-family dwellings currently being constructed in the area immediately north of Teakwood. The original preliminary plat showed Allen Ridge as a series of lots and tracts. There is single family zoning adjacent to Teakwood, single family lots, duplex and the area that is proposed for rezoning was shown as two multi-family development tracts adjacent to the mini-storage warehouse. There was a revision to Allen Ridge where the two tracts were converted to duplex lots. The OR zone does not allow single-family, so the only conclusion could be duplexes unless some of these lots were combined together for multi-family building sites. The focus area map shows the residential corridor along Allen Road.

Mr. Hamilton continued by stating that the City has proposed a large area for future industrial expansion. The extraterritorial jurisdiction was extended in this area about five years ago, and one of the reasons why the county allowed the city to expand the extraterritorial jurisdiction was to facilitate the development of an industrial area and facilitate the extension of sewer along Green Mill Run to service this entire area including the industrial development. The Thoroughfare Plan Map shows Allen Road has a thoroughfare and it is slated for widening. Allen Road is being widened to 3-lanes under the Moving Ahead Project. Any regulated flood hazard area does not impact the property. At the time the extraterritorial jurisdiction was extended, the City established a zoning pattern mainly to facilitate the industrial expansion. In order to protect the Teakwood neighborhood, a transition buffer was installed between the industrial and the medium density residential in accordance with specific guidelines that are set out in the Horizons Plan. The areas to the south of Teakwood are reserved for medium-density residential with higher density adjacent to the commercial focus area along Dickinson Avenue. The City rezoned a significant amount of property to industrial. The office buffer was put in place, a strip of lots along the northern boundary of Teakwood was rezoned to single-family residential, and a small portion of the lots was rezoned in 2004 to residential. The zoning pattern replicates the intended land use pattern recommended by the Horizons Plan. To the south of Teakwood there is an approved preliminary plat for Laurel Park Subdivision. The northern portion of the subdivision is zoned for single family and has been platted for 105 single-family lots, 114 duplex lots and 10 multi-family tracts. There is an adequate supply of approved single-family lots for the general area. There is some clearing that is taking place in this general area. Staff anticipates that this preliminary plat will be exercised in the near future. It is staff's opinion that the request to rezone this property to single family would not be in compliance with the Comprehensive Plan. One of the unfortunate circumstances here is that the commercial area was being developed prior to the City's extension of the extraterritorial jurisdiction. Property was zoned industrial, more development has taken place, and the mini-storage warehouses have been expanded. At the time those things were taking place this office area was undeveloped. There is no buffer or screening requirement between industrial and vacant office zones. If single-family is now put in adjacent to this vested commercial area, there will be no screening buffer. There is not a way to go in and

retrofit the area to require screening between the proposed single-family and the industrial area; that is unfortunate because of the way the property was initially zoned and the way it was initially approved for development. In staff's opinion, rezoning of this property would not be appropriate. Also, the rezoning would also allow for competition with housing in the core of the city. Staff recommends denial of the request.

Mayor Parrott declared the public hearing open and solicited comments from the audience.

Mr. Robert Bartlett with Bartlett Engineering, stating that the area is already developed. Mr. Leroy Cherry, the original property owner, developed the first section of Allen Ridge. Before it was completed, Hodge and Morris bought it. The recommendation for denial at the May 17 Planning and Zoning Commission was a split vote. He felt that the reason it was denied was that Mr. Mike Baldwin, upon being asked Mr. Cherry's opinion, did not know if Mr. Cherry is opposed. Mr. Cherry is here tonight to express his opinion.

Mr. Leroy Cherry stated that he is not opposed to this request.

Mr. Brad Muschler, representing Hodge and Morris, stated that the petitioner would be willing to put a vegetative buffer at the end of the lot.

City Attorney Holec informed the Council that it could not consider that information when making a decision on the request.

There being no further comments, the public hearing was closed.

Motion was made by Council Member Little and seconded by Council Member Dunn to deny the request to rezone a 7.4 acre tract located north of Allen Ridge Road, 350 feet west of Allen Road, and 500 feet north of Teakwood Subdivision, from OR to R9S. Motion carried unanimously.

ORDINANCE ANNEXING COVENGTON DOWNE PROPERTY, LOT 7, BLOCK E, LOCATED ON SOUTH SIDE OF NCSR 1708 (EAST FIRE TOWER ROAD) AND EAST OF COUNTY HOME ROAD - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23, 2005 setting this time, date and place for a public hearing to consider a request by Covengton Downe to annex Lot 7, Block E, containing 2.497 acres located on the south side of NCSR 1708 (East Fire Tower Road) and being about 175 feet east of County Home Road. This is a contiguous annexation.

Mr. Merrill Flood, Director of Planning and Community Development, delineated the property on a map and stated that the property is located in Voting District 5. The property is currently vacant and the proposed use is commercial development. The current population is 0, and the anticipated population at full development is 0.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Council Member Council and seconded by Mayor Pro-Tem Miller to adopt the ordinance annexing Lot 7, Block E, containing 2.497 acres located on the south side of NCSR 1708 (East Fire Tower Road) and being about 175 feet east of County Home Road. Motion carried unanimously. (Ordinance No. 05-57)

ORDINANCE ANNEXING COVENGTON DOWNE, LOT 1, BLOCK G LOCATED ON NORTH SIDE OF NCSR 1708 (EAST FIRE TOWER ROAD) AND EAST OF WIMBLEDON DRIVE - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23, 2005 setting this time, date and place for a public hearing to consider a request by Covengton Downe to annex Lot 1, Block G, containing 2.048 acres located on the north side of NCSR 1708 (East Fire Tower Road) and being about 219 feet east of Wimbledon Drive. This is a contiguous annexation.

Mr. Merrill Flood, Director of Planning and Community Development, delineated the property on a map and stated that the property is located in Voting District 5. The property is currently vacant and the proposed use is an oil change shop and carwash. The current population is 0, and the anticipated population at full development is 0.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Council Member Dunn and seconded by Council Member Council to adopt the ordinance annexing Lot 1, Block G, containing 2.048 acres located on the north side of NCSR 1708 (East Fire Tower Road) and being about 219 feet east of Wimbledon Drive. Motion carried unanimously. (Ordinance No. 05-58)

ORDINANCE ANNEXING MARY ANNA SHUPING PROPERTY LOCATED ON NORTH SIDE OF US HIGHWAY 13 (DICKINSON AVENUE) AND EAST OF ARLINGTON BOULEVARD - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23, 2005 setting this time, date and place for a public hearing to consider a request by Mary Anna Shuping to annex 0.4959 acres located on the north side of US Highway 13 (Dickinson Avenue) and being about 100 feet east of Arlington Boulevard. This is a contiguous annexation.

Mr. Merrill Flood, Director of Planning and Community Development, delineated the property on a map and stated that the property is located in Voting District 1. The property is currently vacant and the proposed use is a parking lot or detention pond. The current population is 0, and the anticipated population at full development is 0.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Council Member Council and seconded by Council Member Dunn to adopt the ordinance annexing 0.4959 acres located on the north side of US Highway 13 (Dickinson Avenue) and being about 100 feet east of Arlington Boulevard. Motion carried unanimously. (Ordinance No. 05-59)

ORDINANCE ANNEXING ASHCROFT OFFICE PARK PROPERTY, SECTION 2, LOCATED ON NORTH SIDE OF NCSR 1708 (EAST FIRE TOWER ROAD) AND EAST OF ASHCROFT DRIVE - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23, 2005 setting this time, date and place for a public hearing to consider a request by Ashcroft Office Park, to annex Section 2, containing 4.634 acres located on the north side of NCSR 1708 (East Fire Tower Road) and being about 200 feet east of Ashcroft Drive. This is a contiguous annexation.

Mr. Merrill Flood, Director of Planning and Community Development, delineated the property on a map and stated that the property is located in Voting District 5. The property is currently vacant and the proposed use is office development. The current population is 0, and the anticipated population at full development is 0.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Council Member Little and seconded by Council Member Council to adopt the ordinance annexing Section 2, containing 4.634 acres located on the north side of NCSR 1708 (East Fire Tower Road) and being about 200 feet east of Ashcroft Drive. Motion carried unanimously. (Ordinance No. 05-60)

ORDINANCE ANNEXING BEDFORD PROPERTY, SECTION 9, PHASE 1 LOCATED NORTH OF FIRE TOWER ROAD AND WEST OF SUMMERHAVEN DRIVE – ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23, 2005 setting this time, date and place for a public hearing to consider a request by Bedford to annex Section 9, Phase 1, containing 11.447 acres located about 2,400 feet north of Fire Tower Road and about 140 feet west of Summerhaven Drive. This is a contiguous annexation.

Mr. Merrill Flood, Director of Planning and Community Development, delineated the property on a map and stated that the property is located in Voting District 5. The property is currently vacant and the proposed use is 19 single-family dwellings. The current population is 0, and the anticipated population at full development is 45, with 8 being minority.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Mayor Pro-Tem Miller and seconded by Council Member Dunn to adopt the ordinance annexing Section 9, Phase 1, containing 11.447 acres located about 2,400 feet

north of Fire Tower Road and about 140 feet west of Summerhaven Drive. Motion carried unanimously. (Ordinance No. 05-61)

ORDINANCE ANNEXING BEDFORD PROPERTY, SECTION 10 LOCATED AT THE TERMINUS OF WICKHAM DRIVE AND WEST OF COLEMAN DRIVE - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23, 2005 setting this time, date and place for a public hearing to consider a request by Bedford to annex Section 10, containing 22.495 acres located at the terminus of Wickham Drive and being about 160 feet west of Coleman Drive. This is a contiguous annexation.

Mr. Merrill Flood, Director of Planning and Community Development, delineated the property on a map and stated that the property is located in Voting District 5. The property is currently vacant and the proposed use is 63 single-family dwellings. The current population is 0, and the anticipated population at full development is 148, with 26 being minority.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Council Member Craft and seconded by Council Member Little to adopt the ordinance annexing Section 10, containing 22.495 acres located at the terminus of Wickham Drive and being about 160 feet west of Coleman Drive. Motion carried unanimously. (Ordinance No. 05-62)

ORDINANCE REQUESTED BY PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT AMENDING ZONING ORDINANCE TO ESTABLISH A CIVIL PENALTY IN THE AMOUNT OF TWENTY-FIVE DOLLARS (\$25.00) FOR EACH DAY WHENEVER THE VIOLATION INVOLVES EITHER (I) THE PARKING AREA SURFACE MATERIAL REQUIREMENT SET FORTH IN SECTION 9-4-248(A), (II) THE MAXIMUM FRONT YARD AREA PARKING COVERAGE REQUIREMENT SET FORTH IN SECTION 9-4-248(D) AND (E), OR (III) THE PARKING, STORAGE AND/OR MANEUVERING REQUIREMENTS SET FORTH IN SECTION 9-4-248(F) - ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23 and May 30, 2005 setting this time, date and place for a public hearing to consider a request by the Planning and Community Development Department to amend the zoning ordinance to establish a civil penalty in the amount of twenty-five dollars for each day whenever the violation involves either (i) the parking area surface material requirement set forth in Section 9-4-248(a), (ii) the maximum front yard area parking coverage requirement set forth in Section 9-4-248(d) and (e), or (iii) the parking, storage and/or maneuvering requirements set forth in section 9-4-248(f). At its May 17, 2005 meeting, the Planning and Zoning Commission voted to recommend approval of the request.

Mr. Harry Hamilton, Chief Planner, stated that this is a request to amend the zoning regulations concerning the civil penalties for various violations of the on-site parking standards. There are standards that relate to the material type required for parking. There are also standards that relate

to the percentage of yard area that can be covered with parking as well as the parking, storing and maneuvering of vehicles on residential property. Mr. Hamilton explained that recently the Neighborhood and Housing Task Force presented a report to City Council. One of the improvement strategies was to revise city ordinances related to parking on unimproved surfaces to allow for on the spot ticketing and establish routine patrols of neighborhoods. Currently, the Zoning Enforcement Officer within the Planning Office enforces the parking standards that are mainly upon complaints from citizens. Tickets are issued to the owner of vehicles and/or the property owner. Mr. Hamilton stated that the fines are a sliding scale ranging from \$50 to \$250. Mr. Hamilton stated the City has a Neighborhood Service Division that will have a Nuisance Abatement Officer to enforce these regulations. Tickets will be issued in the field and placed on the automobiles. The purpose of the amendment is to maintain the aesthetic quality of a neighborhood and prevent erosion of property. Mr. Hamilton explained that the amendment would enable the Abatement Officer to ticket vehicles at that time. This is Strategy #4 of the Neighborhood and Housing Task Force.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Mayor Pro-Tem Miller and seconded by Council Member Little to adopt the ordinance amending the zoning ordinance to establish a civil penalty in the amount of twenty-five dollars for each day whenever the violation involves either (i) the parking area surface material requirement set forth in Section 9-4-248(a), (ii) the maximum front yard area parking coverage requirement set forth in Section 9-4-248(d) and (e), or (iii) the parking, storage and/or maneuvering requirements set forth in section 9-4-248(f). This ordinance becomes effective August 1, 2005. Motion carried unanimously. (Ordinance No. 05-63)

ORDINANCE REQUESTED BY ALLTEL COMMUNICATIONS, INC. AMENDING CG (GENERAL COMMERCIAL) DISTRICT TABLE OF USES, SECTION 9-4-78(F)(8) AND SECTION 9-4-103(P) TO INCLUDE MONOPOLE OR OTHER SELF-SUPPORT COMMUNICATION TOWERS NOT TO EXCEED 200 FEET IN HEIGHT AS A PERMITTED USE – ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23 and May 30, 2005 setting this time, date and place for a public hearing to consider a request by Alltel Communications, Inc. to amend the CG (General Commercial) district table of uses, Section 9-4-78(f)(8) and Section 9-4-103(p) to include monopole or other self-support communication towers not to exceed 200 feet in height as a permitted use. The Planning and Zoning Commission voted to recommend approval of the request at its May 17, 2005 meeting,

Mr. Harry Hamilton, Chief Planner, stated that this is a request to amend the General Commercial district table of uses to include monopole or other self-supporting communication towers not to exceed 200 feet in height as a permitted use. Structures that employ guide wires and other supports would not be permitted under this as well as any tower over 200 feet in height. Mr. Hamilton presented a map indicating tall structures within the City. Transmission towers include cellular telephone, television, radio towers. Water towers, buildings and stacks are commonly used as platforms for transmitters. Within the City's jurisdiction, there are 32

communication towers primarily dedicated to cellular telephone or wireless communication devices. Current zones that allow communication towers of unlimited height are the Industrial, Unoffensive Industry, Downtown Commercial, Heavy Commercial and the Medical Residential, districts. Mr. Hamilton stated that the airport overlay zones affect a substantial portion of the Industrial area where there are available sites for cell towers thus limiting their utility.

Mayor Parrott declared the public hearing open and solicited comments from the audience.

Mr. Bill Howard, Development Agent for Alltel Communications, spoke on behalf of the request. Mr. Howard presented maps to the Commission (Document No. 05-7) that indicate the area coverage in Greenville. Mr. Howard explained that Alltel supplies coverage through three sites, East Greenville, Fifth Street and Arlington Boulevard. By allowing towers in the General Commercial district it would allow more coverage in the residential areas of Greenville. Mr. Howard explained that Alltel tries to co-locate wherever it is possible. This will keep the towers out of residential areas. The Planning and Zoning Commission unanimously approved the request.

There being no further comments, the public hearing was closed.

Motion was made by Council Member Craft and seconded by Council Member Council to adopt the ordinance amending the CG (General Commercial) district table of uses, Section 9-4-78(f)(8) and Section 9-4-103(p) to include monopole or other self-support communication towers not to exceed 200 feet in height as a permitted use. This ordinance is to become effective August 1, 2005. Motion carried unanimously. (Ordinance No. 05-64)

ORDINANCE REQUESTED BY THE PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT AMENDING THE ZONING ORDINANCE DEFINITION OF "ROOM RENTING" FOR THE PURPOSES OF CLARIFICATION, SPECIFICALLY, THAT SUCH ACTIVITY SHALL ONLY BE ALLOWED AS AN ACCESSORY USE WITHIN AN OWNER-OCCUPIED DWELLING AND THAT THE TOTAL DWELLING OCCUPANCY SHALL BE LIMITED TO NOT MORE THAN TWO (2) PERSONS IN ADDITION TO THE RESIDENT OWNER AND PERSONS RELATED TO THE RESIDENT OWNER BY BLOOD, ADOPTION, OR MARRIAGE WHO CONSTITUTE A FAMILY, AND TO DELETE THE DEFINITION OF "OWNER/OCCUPANT" – ADOPTED

City Manager Wayne Bowers reported that a notice of public hearing was published in The Daily Reflector on May 23 and May 30, 2005 setting this time, date and place for a public hearing to consider a request by the Planning and Community Development Department to amend the zoning ordinance definition of "room renting" for the purposes of clarification, specifically, that such activity shall only be allowed as an accessory use within an owner-occupied dwelling and that the total dwelling occupancy shall be limited to not more than two (2) persons in addition to the resident owner and persons related to the resident owner by blood, adoption, or marriage who constitute a family, and to delete the definition of "owner/occupant". At its May 17, 2005 meeting, the Planning and Zoning Commission voted to recommend approval of the request.

Mr. Harry Hamilton, Chief Planner, stated that this request is to amend the definition of room renting and to amend the definition section to delete the definition of owner/occupant. These

amendments are made for purposes of clarification of existing application that staff employs for determining the number of allowed persons within a dwelling. The definition of owner/occupant is being deleted and doesn't fit within the code. The new definition of room renting will be deleted. Mr. Hamilton explained that this means that in a dwelling no more than three unrelated people can reside within any dwelling in the city. Room renting is allowed in a owner/occupant dwelling. Anyone who owns a home, in addition to their family, can rent rooms to two additional persons who are not related to the resident owner. In a rental dwelling, the renters cannot sublease out under the room-renting clause.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Council Member Craft and seconded by Council Member Dunn to adopt the ordinance amending the zoning ordinance definition of "room renting" for the purposes of clarification, specifically, that such activity shall only be allowed as an accessory use within an owner-occupied dwelling and that the total dwelling occupancy shall be limited to not more than two (2) persons in addition to the resident owner and persons related to the resident owner by blood, adoption, or marriage who constitute a family and to delete the definition of "owner/occupant". Motion carried unanimously. (Ordinance No. 05-65)

**RESOLUTION AUTHORIZING DISPOSITION OF LOTS IN COUNTRYSIDE ESTATES
SUBDIVISION TO RAYMOND CARNEY CONSTRUCTION, INC. - ADOPTED**

Mr. Chris Davis, Community Development Planner, stated that a request for proposals was issued for nine lots located in Countryside Estates Subdivision on May 5, 2005. The deadline for submitting proposals was May 19, 2005. Proposals were received from two general contractors. It is recommended that seven of the lots (35, 36, 77, 78, 79, 83 and 87) be awarded to Raymond Carney Construction Company, Inc. He proposes to construct 1200 square foot homes that will include three bedrooms and two baths. Each home will sell for a price averaging \$91,000. The cost per square foot to construct is \$70. Development of these lots will provide additional affordable single-family housing units for flood survivors and low-moderate income families. All homes will be built per City of Greenville building specifications and will meet E-300 energy efficiency standards.

Council Member Glover expressed concern about the homes being constructed in Countryside Estates being larger and out of better materials than those proposed for West Greenville.

Mr. Davis explained that staff has asked the contractors from Countryside Estates to build in West Greenville; however, as of yet, they have declined. They can build cheaper in Countryside Estates because their crews are in the subdivision. Also, there are some limitations in West Greenville because of the source of the funds. Those limitations don't exist in Countryside Estates.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Council Member Craft and seconded by Council Member Council to adopt the resolution authorizing the disposition of certain real property to Raymond Carney Construction, Inc. Motion carried unanimously (Resolution No. 05-41)

RESOLUTION AUTHORIZING DISPOSITION OF LOTS IN COUNTRYSIDE ESTATES SUBDIVISION TO CHANCE AND SMITH BUILDERS – ADOPTED

Mr. Chris Davis, Community Development Administrator, stated that a request for proposals to construct on Lots 32 and 33 in Countryside Estates was issued on May 9, 2005. Chance and Smith Builders are interested in constructing homes on these lots. The homes would be approximately 1267 square feet and include three bedrooms and two baths. Each home would sell for \$95,690 if brick and \$91,889 for a vinyl-sided home. Cost per square foot for a brick home is \$70, and cost per square foot for vinyl homes is \$67. Development of these lots will provide additional affordable single-family housing units for flood survivors and low to moderate income families. All homes will be built per City of Greenville building specifications and will meet E-300 energy efficiency standards.

Mayor Parrott declared the public hearing open and solicited comments from the audience. There being none, the public hearing was closed.

Motion was made by Council Member Council and seconded by Council Member Craft to adopt the resolution authorizing the disposition of certain real property to Chance and Smith Builders. Motion carried unanimously (Resolution No. 05-42)

ORDINANCES ADOPTING FISCAL YEAR 2005-2006 BUDGETS FOR CITY OF GREENVILLE (ALL FUNDS) INCLUDING SHEPPARD MEMORIAL LIBRARY, PITT-GREENVILLE CONVENTION & VISITORS BUREAU AND GREENVILLE UTILITIES COMMISSION - ADOPTED

City Manager Bowers stated that the public hearing on the budgets was conducted at the June 6, 2005 City Council meeting. The balanced proposed budgets are as follows:

City of Greenville	\$ 75,764,335
Sheppard Memorial Library	\$ 1,968,148
Greenville Utilities Commission	\$202,565,995
Pitt-Greenville Convention and Visitors Authority	\$ 721,868

Motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to adopt the ordinance adopting fiscal Year 2005-2006 budget for the City of Greenville (all funds) including Sheppard Memorial Library. Motion carried unanimously. (Ordinance No. 05-66)

Motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to adopt the ordinance adopting fiscal Year 2005-2006 budget for the Greenville Utilities Commission. Motion carried unanimously. (Ordinance No. 05-68)

Motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to adopt the ordinance adopting Fiscal Year 2005-2006 budget for the Pitt-Greenville Convention & Visitors Bureau. Motion carried unanimously. (Ordinance No. 05-67)

ORDINANCES AMENDING FY 2004-2005 CITY OF GREENVILLE BUDGET
ORDINANCE AND CONVENTION CENTER CAPITAL PROJECT BUDGET ORDINANCE
- ADOPTED

Motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to adopt the ordinance amending the FY 2004-2005 City of Greenville budget ordinance. Motion carried unanimously. (Ordinance No. 05-69)

Motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to adopt the ordinance amending the FY 2004-2005 Convention Center Capital Project budget ordinance. Motion carried unanimously. (Ordinance No. 05-70)

ORDINANCE AMENDING THE FY 2004-2005 GREENVILLE UTILITIES COMMISSION
BUDGET ORDINANCE - ADOPTED

Motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to adopt the ordinance amending the FY 2004-2005 Greenville Utilities Commission budget ordinance amendments. Motion carried unanimously. (Ordinance No. 05-71)

RESOLUTION RELATING TO THE AUTHORIZATION AND ISSUANCE OF A
GREENVILLE UTILITIES COMMISSION COMBINED ENTERPRISE SYSTEM REVENUE
BONDS, SERIES 2005 OF THE CITY OF GREENVILLE, NORTH CAROLINA, TO PAY A
PORTION OF THE COST OF CERTAIN ADDITIONAL IMPROVEMENTS TO THE
COMBINED ENTERPRISE SYSTEM – ADOPTED

City Manager Wayne Bowers introduced the following resolution, a copy of which had been provided to each Council member, and which was read by its title:

**RESOLUTION RELATING TO THE AUTHORIZATION AND ISSUANCE OF A
GREENVILLE UTILITIES COMMISSION COMBINED ENTERPRISE SYSTEM REVENUE
BONDS, SERIES 2005 OF THE CITY OF GREENVILLE, NORTH CAROLINA TO PAY A
PORTION OF THE COST OF CERTAIN ADDITIONAL IMPROVEMENTS TO THE
COMBINED ENTERPRISE SYSTEM**

WHEREAS, the City of Greenville, North Carolina (the "City") is considering the acquisition and construction of certain improvements to its combined enterprise system (collectively, the "Additional Improvements"), as more fully described in Schedule I attached hereto; and

WHEREAS, the City desires to proceed with the Additional Improvements and to proceed with the authorization and issuance, pursuant to the provisions of The State and Local Government Revenue Bond Act, of revenue bonds of the City in the amount of approximately

\$8,000,000 for the purpose of providing funds, together with any other available funds, for paying the cost of acquiring and constructing the Additional Improvements;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENVILLE:

Section 1. The Director of Financial Services of the City and such other officers of the City and the Greenville Utilities Commission ("GUC") as may be appropriate are hereby authorized to apply to the Local Government Commission of North Carolina (the "LGC") for the approval of the issuance of the bond and otherwise to participate in the development of such financing.

Section 2. The City Council recommends the selection of the following professionals to assist the City and GUC in connection with such financing and requests the LGC to approve such selection:

Bond Counsel	-	Sidley Austin Brown & Wood LLP
Financial Advisor	-	Davenport & Company LLC
Trustee	-	The Bank of New York Trust Company, N. A.

Section 3. The LGC is hereby requested to sell the bonds in the form of a single registered bond at private sale, without advertisement, to Bank of America, N.A., in accordance with the terms of its bid for the purchase of the bond, dated May 13, 2005.

Section 4. In the event that the cost of acquiring and constructing the portion of the Additional Improvements not currently under contract exceeds the current estimate of such cost, the City and GUC have available funds in an amount up to twenty percent (20%) of such cost which can and will be appropriated to pay such cost in order to be able to complete the Additional Improvements.

Section 5. The City Council hereby finds and determines in connection with the issuance of the bond that (i) the issuance of the bond is necessary or expedient for the City, (ii) the proposed principal amount of the bond is adequate and not excessive for the proposed purpose of such issue, (iii) the Additional Improvements proposed to be funded with the proceeds of the bond and any other available funds are feasible, (iv) the City's debt management procedures and policies are good and are managed in strict compliance with law, and (v) under current economic conditions, the bond can be marketed at a reasonable interest cost to the City.

Section 6. This resolution shall take effect immediately upon its passage.

Adopted this the __ day of _____, 2005.

Robert D. Parrott
Mayor

ATTEST:

Wanda T. Elks
City Clerk

SCHEDULE I

DESCRIPTION OF THE ADDITIONAL IMPROVEMENTS

The Additional Improvements are those additional improvements included in the capital improvement program for the Combined Enterprise System, including but not limited to:

1. **Project:** **WASTEWATER SYSTEM:** Wastewater Treatment Plant Biosolids Dewatering Facility

Description: This Sewer Fund project involves the construction of a building to house two (2) two-meter belt filter presses, polymer feed system, instrumentation and controls, piping and all other necessary appurtenances. This project is currently under construction.

Cost: \$4,000,000

2. **Project:** **ELECTRIC SYSTEM:** Winterville to Bells Fork 115 kV Transmission Line

Description: The design and construction of a 3.0 mile 115 kV electrical transmission line to serve the Bells Fork Substation. The transmission line corridor will leave the Commission's Winterville Substation and travel along Firetower Road across the Tar Road to the Bells Fork Substation. The transmission line will be constructed for future continuation to the Commission's Hollywood Substation. The pole line structure will also support a 35 kV class sub-transmission line and a 15 kV class distribution line.

Cost: \$1,500,000

3. **Project:** **ELECTRIC SYSTEM:** Winterville Substation Expansion

Description: The design and construction of an expansion to the existing Winterville Substation. The expansion of this electrical substation will double the capacity to 40 MVA and provide electrical service to Greenville Utilities' south central service area. The expansion project will be equipped with a 115 to 13.2 kV, 20 MVA transformer with an LTC. The substation will increase from 4 to 7 electrical circuits. The substation is located on West Firetower Road next to the CSX railroad.

Cost: \$1,000,000

4. Project: WATER SYSTEM: Purchase of certain assets of the Bell Arthur Water System

Description: In early 2005 Greenville Utilities Commission entered into an agreement with the Bell Arthur Water System to purchase certain assets of the system. The Commission used cash reserves to fund the purchase with the expectation that some portion of the purchase cost would be reimbursed from a future borrowing. The Commission is reimbursing itself for a portion of the purchase price with this borrowing.

Cost: \$1,343,000

After consideration of the foregoing resolution, motion was made by Mayor Pro-Tem Miller and seconded by Council Member Craft to adopt the Resolution Relating To The Authorization And Issuance Of A Greenville Utilities Commission Combined Enterprise System Revenue Bond, Series 2005, Of The City Of Greenville, North Carolina, To Pay A Portion Of The Cost Of Certain Additional Improvements To The Combined Enterprise System. Motion carried unanimously. (Resolution No. 05-43)

SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF AN \$8,000,000 GREENVILLE UTILITIES COMMISSION COMBINED ENTERPRISE SYSTEM REVENUE BOND, SERIES 2005 OF THE CITY OF GREENVILLE, NORTH CAROLINA PURSUANT TO THE PROVISIONS OF SECTION 210 OF THE BOND ORDER ADOPTED BY THE CITY COUNCIL ON AUGUST 11, 1994, AMENDED AND RESTATED ON APRIL 13, 2000, AND REQUESTING THE LOCAL GOVERNMENT COMMISSION OF NORTH CAROLINA TO AWARD THE BONDS AT PRIVATE SALE – ADOPTED

City Manager Bowers introduced the following resolution, a copy of which had been provided to each Council Member, and which was read by its title:

SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF AN \$8,000,000 GREENVILLE UTILITIES COMMISSION COMBINED ENTERPRISE SYSTEM REVENUE BOND, SERIES 2005 OF THE CITY OF GREENVILLE, NORTH CAROLINA PURSUANT TO THE PROVISIONS OF SECTION 210 OF THE BOND ORDER ADOPTED BY THE CITY COUNCIL ON AUGUST 11, 1994, AMENDED AND RESTATED ON APRIL 13, 2000, AND REQUESTING THE LOCAL GOVERNMENT COMMISSION OF NORTH CAROLINA TO AWARD THE BONDS AT PRIVATE SALE.

WHEREAS, the City of Greenville, North Carolina (the “City”), a municipal corporation in Pitt County, North Carolina, owns certain public utility or public service enterprise facilities comprising an electric system, a natural gas system, a sanitary sewer system and a water system, within and without the corporate limits of the City (collectively, the “Combined Enterprise System”), and

WHEREAS, in accordance with Chapter 861 of the 1991 Session Laws of North Carolina, the Greenville Utilities Commission (the “Commission”) has been created for the

proper management of the public utilities of the City, within and without the corporate limits of the City, with responsibility for the entire supervision and control of the management, operation, maintenance, improvement and extension of the public utilities of the City, including the Combined Enterprise System; and

WHEREAS, the City Council of the City (the "City Council") on August 11, 1994 adopted a bond order authorizing and securing Greenville Utilities Commission Combined Enterprise System Revenue Bonds of the City, which order was amended and restated on April 13, 2000 (the "Order"); and

WHEREAS, Section 210 of the Order authorizes the issuance of additional revenue bonds of the City in one or more series from time to time for the purpose of providing funds for (a) paying all or any part of the cost of any Additional Improvements, as defined in the Order, and (b) paying expenses incidental and necessary or convenient thereto; and

WHEREAS, the Commission and the City Council have determined that it is necessary to acquire and construct certain additional improvements to the Combined Enterprise System, which improvements are described in Appendix A to this resolution and constitute Additional Improvements, and to pay the cost of such Additional Improvements by issuing an additional series of revenue bonds and using any other available funds as authorized by Section 210 of the Order; and

WHEREAS, the City Council has received information to the effect that the City will be able to satisfy the requirements of Section 210 of the Order with respect to such series of revenue bonds; and

WHEREAS, pursuant to Section 210 of the Order, such revenue bonds are to have such terms and provisions as may be provided by a series resolution to be adopted by the City Council prior to the issuance thereof; and

WHEREAS, the Commission has adopted a resolution to the effect that it approves the provisions of this resolution and recommends to the City Council that the City Council adopt this resolution;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GREENVILLE, NORTH CAROLINA DOES HEREBY DETERMINE AND RESOLVE, as follows:

Capitalized words and terms used in this resolution (this "Resolution") and not otherwise defined herein shall have the same meanings in this Resolution as such words and terms are given in the Order.

Pursuant to the Enabling Act and Section 210 of the Order, the City Council hereby authorizes the issuance of revenue bonds of the City in the form of a single fully registered bond designated "Greenville Utilities Commission Combined Enterprise System Revenue Bond, Series 2005" (the "Series 2005 Bond") in the principal amount of \$8,000,000 for the purpose of providing funds, together with any other available funds, for (a) paying the Cost of the Additional Improvements described in Appendix A hereto and (b) paying expenses incidental and necessary or convenient thereto. The Series 2005 Bond shall be dated as of the date of its

delivery, shall be a Serial Bond stated to mature (subject to the right of prior redemption) in annual principal installments on the dates and in the amounts and bearing interest at the rate of 3.43% per annum as set forth in Schedule I to the form of the Series 2005 Bond set forth below, shall be numbered R05-1 and shall be exchangeable for fully-registered bonds in denominations of not less than \$100,000. Interest on the Series 2005 Bond shall be payable on March 1, 2006 and thereafter semiannually on each March 1st and September 1st until the Series 2005 Bond is paid in full. There shall not be any Parity Indebtedness Reserve Requirement for the Series 2005 Bond, and the Series 2005 Bond shall not be secured by the Parity Indebtedness Reserve Fund.

The Series 2005 Bond shall be subject to redemption prior to maturity on or after September 1, 2015, at the option of the City, in whole or in part on any date, from any moneys that may be made available for such purpose, upon notice as provided in Article III of the Order and upon payment of the following redemption prices (expressed as a percentage of the principal amount of the Series 2005 Bond) plus accrued interest to the redemption date:

<u>Redemption Period</u>	<u>Redemption Price</u>
September 1, 2015 through August 31, 2019	103%
September 1, 2019 through August 31, 2023	102
September 1, 2023 through August 31, 2025	101

provided, however, that the redemption price shall be 100% if the weighted average interest rate on any Bonds refunding the Series 2005 Bond is greater than 3.43% or, if the Series 2005 Bond is redeemed with funds provided other than through the issuance of Bonds, the prevailing Bond Buyer Revenue Bond Index (or if such index does not exist a comparable index) on the date that the redemption notice shall be given, is greater than 4.87%.

The Series 2005 Bond and the Certificate of the Local Government Commission and the Certificate of Authentication to be endorsed on the Series 2005 Bond shall be substantially in the following forms, with such variations, omissions and insertions as are required or permitted by the Order:

PRIVATE PLACEMENT

No. R05-1 \$8,000,000

United States of America
State of North Carolina

CITY OF GREENVILLE, NORTH CAROLINA

Greenville Utilities Commission
Combined Enterprise System Revenue Bond, Series 2005

<u>Maturity Date of Principal Installments</u>	<u>Interest Rate</u>
As set forth in Schedule I	3.43%

The City of Greenville (the “City”), a municipal corporation in Pitt County, North Carolina, exercising public and essential governmental functions, is justly indebted and for value received hereby promises to pay, solely from the special fund provided therefor as hereinafter set forth, to Bank of America, N.A. or registered assigns or legal representative, on the maturity date specified above (or earlier as stated hereinafter), upon the presentation and surrender hereof at the principal corporate trust office of The Bank of New York Trust Company, N.A., in the City of Jacksonville, Florida, or any successor bond registrar (the “Bond Registrar”), the principal sum of EIGHT MILLION DOLLARS (\$8,000,000) in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay, solely from the special fund, to the person in whose name this bond (or one or more Predecessor Bonds, as defined in the Order hereinafter mentioned), is registered at the close of business on the regular record date for such interest, which shall be the 15th day of the calendar month next preceding an interest payment date (the “Regular Record Date”), by wire transfer to such account in the continental United States as directed by such person or otherwise as provided in the Series Resolution hereinafter mentioned, (Y) the principal installments on their respective September 1 maturity dates set forth in Schedule I hereto and (Z) interest on the unpaid principal amount of this bond from the date of this bond or from the March 1st or September 1st next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is a March 1st or September 1st to which interest shall have been paid, in which case from such date, on March 1st and September 1st in each year, commencing March 1, 2006, in like coin or currency, at the rate per annum specified above until payment of the principal sum. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the person who was the registered owner on such Regular Record Date and may be paid to the person in whose name this bond (or one or more Predecessor Bonds) is registered at the close of business on a Special Record Date, as defined in the Order, for the payment of such defaulted interest to be fixed by the Trustee hereinafter mentioned, notice whereof being given to registered owners not less than ten (10) days prior to such Special Record Date, or may be paid in any other lawful manner not inconsistent with the requirements of applicable law or any securities exchange on which the bonds may be listed and upon such notice as may be required by such law or exchange, all as more fully provided in the Order.

This bond represents a duly authorized series of revenue bonds of the City, designated “Greenville Utilities Commission Combined Enterprise System Revenue Bonds, Series 2005”, consisting of a Serial Bond, maturing in the annual installments on September 1 of each year to and including September 1, 2025, and issued for the purpose of providing funds, together with any other available funds, for (i) paying the cost of acquiring and constructing certain improvements described in the Series Resolution (herein defined) constituting Additional Improvements, as defined in the Order, to the public utility or public service enterprise facilities comprising an electric system, a natural gas system, a sanitary sewer system and a water system of the City (the “Combined Enterprise System”) and (ii) paying expenses incidental and necessary or convenient thereto. Pursuant to the Enabling Act as hereinafter defined), the Greenville Utilities Commission (the “Commission”) is responsible for the management, operation, maintenance, improvement and extension of the Combined Enterprise System.

This bond is issued under and pursuant to the Constitution and laws of the State of North Carolina, including Chapter 861 of the 1991 Session Laws of North Carolina and The State and Local Government Revenue Bond Act, as amended (collectively, the “Enabling Act”), a bond

order duly adopted by the City Council of the City (the “City Council”) on August 11, 1994, as amended and restated as of April 13, 2000 (such bond order as amended and restated, together with all orders supplemental and amendatory thereto as therein permitted, being herein called the “Order”), and a series resolution duly adopted by the City Council on June 9, 2005 (the “Series Resolution”). The City has heretofore issued under the Order other bonds on a parity with this bond. The Order provides for the issuance from time to time under the conditions, limitations and restrictions therein set forth of additional bonds to provide funds for paying all or any part of the cost of acquiring and constructing other Additional Improvements, to provide funds for completing payment of the cost of acquiring and constructing any Additional Improvements and to refund any bonds issued under the Order and Indebtedness, as defined in the Order, other than bonds (such additional bonds, this bond and the parity bonds heretofore issued being herein collectively called the “Bonds”). The Order also provides for the incurrence or assumption by the City of other obligations which are secured by a pledge, charge and lien upon and payable from certain receipts and rights to receive receipts of the Combined Enterprise System (the “Receipts”) after paying or making provision for the payment of Current Expenses, as defined in the Order, (the “Net Receipts”) on a parity with the Bonds (such obligations and the Bonds being herein collectively called “Parity Indebtedness”) and other obligations which are secured by a pledge, charge and lien upon and payable from the Net Receipts subordinate and junior in right of payment to Parity Indebtedness (“Subordinate Indebtedness”) or which are not secured by a pledge, charge or lien upon the Net Receipts but are payable from the Net Receipts (“Additional Indebtedness” and, together with the Existing Indebtedness, as defined in the Order, “Other Indebtedness”) under the conditions, limitations and restrictions therein set forth. Reference is hereby made to the Order for provisions, among others, with respect to the custody and application of the proceeds of Bonds, the collection and disposition of Receipts, the special fund charged with and made available for the payment of the interest and the redemption premium, if any, on and the principal of the Bonds and any other Parity Indebtedness, the nature and extent of the security for the Bonds, the Existing Indebtedness and any other Parity Indebtedness, Subordinate Indebtedness and Additional Indebtedness thereby created, the terms and conditions on which the Bonds of each series are or may be issued or the payment of debt service on other Parity Indebtedness, Subordinate Indebtedness or Additional Indebtedness may be incurred or assumed, the rights, duties and obligations of the City, the Bond Registrar and the Trustee and the rights of the registered owners of the Bonds. A certified copy of the Order is on file at the principal corporate trust office of The Bank of New York Trust Company, N.A., in the City of Jacksonville, Florida (the “Trustee”). By the acceptance of this bond, the registered owner hereof assents to all of the provisions of the Order.

The Order provides for the creation of a special fund designated the “Greenville Utilities Commission Parity Indebtedness Service Fund” (the “Parity Indebtedness Service Fund”), which special fund is made available for and charged with the payment of the principal of and the interest on all Bonds and any other Parity Indebtedness, and also provides for the deposit to the credit of the special fund of the Net Receipts to the extent and in the manner provided in the Order. The Order further provides for transfers to the credit of the Parity Indebtedness Service Fund from other funds created by the Order and made available thereunder to make up any deficiencies in the Fund with respect to all Bonds and any other Parity Indebtedness, all to the extent and in the manner provided in the Order.

The Order provides for the charging, revising and collecting by the Commission of rates, fees and charges for the use of and for the services and facilities furnished or to be furnished by the Combined Enterprise System in order to produce at all times sufficient Receipts, together with certain other available funds, to pay the Current Expenses and to pay the principal of and interest on all Parity Indebtedness, Subordinate Indebtedness and Other Indebtedness as the same shall become due.

The Net Receipts are pledged by the Order to the payment of the principal of and the interest and any redemption premium on the Bonds and other Parity Indebtedness and then Subordinate Indebtedness as provided in the Order. In addition, the moneys in the Parity Indebtedness Service Fund and moneys in the Parity Indebtedness Debt Service Reserve Fund or qualified reserve fund substitutes established in connection with the issuance of certain of the outstanding Bonds are pledged by the Order as further security for the payment of all Parity Indebtedness and the interest thereon as provided in the Order; provided, however, that pursuant to the Series Resolution, this bond and certain other Bonds are not secured by such Parity Indebtedness Reserve Fund or qualified reserve fund substitutes Parity Indebtedness Reserve Fund or qualified reserve fund substitutes. The City is not obligated to pay the Bonds or Indebtedness other than Bonds except from the Net Receipts or other moneys made available therefor under the Order. Neither the faith and credit nor the taxing power of the State of North Carolina or any political subdivision thereof, including the City, is pledged to the payment of the principal of and the interest and any redemption premium on this bond.

The Bonds are issuable as fully registered bonds, in such denominations as the City may by resolution determine. At the principal corporate trust office of the Bond Registrar, in the manner and subject to the limitations and conditions provided in the Order, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same series and maturity, of authorized denominations and bearing interest at the same rate.

As declared by the Enabling Act, this bond, subject only to the provisions for registration and registration of transfer stated herein and contained in the Order, is an investment security within the meaning of and for all the purposes of Article 8 of the Uniform Commercial Code of the State of North Carolina. Notwithstanding any other provisions of the Order or the Series Resolution, the Bond Registrar shall not register the transfer of this bond to any person other than a bank, an insurance company or a similar financial institution unless this bond is rated "BBB-" or higher by Standard & Poor's Ratings Group or "Baa3" or higher by Moody's Investors Service, Inc. or such transfer has been previously approved by the Local Government Commission of North Carolina.

The transfer of this bond is registrable by the registered owner hereof in person or by his attorney or legal representative at the principal corporate trust office of the Bond Registrar but only in the manner and subject to the limitations and conditions provided in the Order and the Series Resolution and upon surrender and cancellation of this bond. Upon any such registration of transfer the City shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this bond, a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in aggregate principal amount equal to the principal amount of this bond, of the same series and maturity and bearing interest at the same rate. The City or the Bond Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with

respect to such exchange or registration of transfer, but no other charge shall be made to any registered owner for the privilege of exchanging or registering the transfer of Bonds. Neither the City nor the Bond Registrar shall be required to make any such exchange or registration of transfer of Bonds of a series during the fifteen (15) days immediately preceding the date of first giving of notice of any redemption of Bonds of such series or any portion thereof or of any Bond after such Bond or any portion thereof has been selected for redemption.

In the event that there is a final determination by the Internal Revenue Service or a court of competent jurisdiction that, from the date of issuance, the Series 2005 Bond is not bank qualified, the interest rate to be paid on the Series 2005 Bond will be increased 100 basis points (1.0%) retroactive to the date of issuance.

The Series 2005 Bond shall be subject to redemption prior to maturity on or after September 1, 2015, at the option of the City, in whole or in part on any date, from any moneys that may be made available for such purpose, upon notice as provided in Article III of the Order and upon payment of the following redemption prices (expressed as a percentage of the principal amount of the Series 2005 Bond) plus accrued interest to the redemption date:

Redemption Period	Redemption Price
September 1, 2015 through August 31, 2019	103%
September 1, 2019 through August 31, 2023	102
September 1, 2023 through August 31, 2025	101

provided, however, that the redemption price shall be 100% if the weighted average interest rate on any Bonds refunding the Series 2005 Bond is greater than 3.43% or, if the Series 2005 Bond is redeemed with funds provided other than through the issuance of Bonds, the prevailing Bond Buyer Revenue Bond Index (or if such index does not exist a comparable index) on the date that the redemption notice shall be given, is greater than 4.87%.

The moneys in the Parity Indebtedness Service Fund and the Redemption Fund, as defined in the Order, available for the purchase or redemption of Bonds shall be allocated to all series of Bonds outstanding under the Order in the manner provided in the Order.

Except as hereinafter provided, not more than ninety (90) days and not less than thirty (30) days before the redemption date of any Bonds, the Bond Registrar shall cause a notice of any such redemption, either in whole or in part, signed by the Bond Registrar, to be mailed, first-class, postage prepaid, to the North Carolina Local Government Commission and all registered owners of Bonds or portions of Bonds to be redeemed at their addresses as they appear on the registration books of the City kept by the Bond Registrar, as provided in the Order, but failure so to mail any such notice or any defect therein shall not affect the validity of the proceedings for such redemption as to any registered owners to whom such notice was given as so required. On the date designated for redemption, notice having been given as aforesaid, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for the redemption of such Bonds or portions thereof on such date, and, if moneys for payment of the redemption price and the accrued interest are held by the Bond Registrar, as provided in the Order, interest on such Bonds or portions thereof shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefit or security under the Order,

and the registered owners thereof shall have no rights in respect of such Bonds or portions thereof except to receive payment of the redemption price thereof and the accrued interest so held by the Bond Registrar. If a portion of this bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon surrender hereof. So long as this bond is owned by any one registered owner, notice of the redemption of this bond from moneys in the Sinking Fund Account need not be given as provided in the Order, unless otherwise required by law, and such registered owner or his attorney or legal representative may, but shall not be required to, surrender this bond to the Bond Registrar for payment of the redemption price of this bond.

The registered owner of this bond shall have no rights to enforce the provisions of the Order or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Order or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Order.

In certain events, on the conditions, in the manner and with the effect set forth in the Order, the principal of all Bonds then outstanding under the Order may become or may be declared due and payable before the stated maturities thereof, together with the interest accrued thereon.

Modifications or alterations of the Order may be made by the City only to the extent and in the circumstances permitted by the Order.

This bond is issued with the intent that the laws of the State of North Carolina shall govern its construction.

All acts, conditions and things required by the Constitution and laws of the State of North Carolina, the Order and the Series Resolution to happen, exist and be performed precedent to and in the issuance of this bond have happened, exist and have been performed as so required.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Order until this bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the City of Greenville, North Carolina has caused this bond to be signed by the Mayor and the City Clerk of the City and the corporate seal of the City to be impressed hereon, all as of the ____ day of July, 2005.

CITY OF GREENVILLE, NORTH CAROLINA

[SEAL]

By [manual signature]
Mayor

[manual signature]
City Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within bond has been approved under the provisions of The State and Local Government Revenue Bond Act of North Carolina.

[manual signature]
Secretary, Local Government
Commission of North Carolina

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the series designated therein and issued under the provisions of the within-mentioned Order.

THE BANK OF NEW YORK TRUST
COMPANY, N. .A., as Bond Registrar

By _____
Authorized Signatory

Date of authentication: _____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned registered owner thereof hereby sells, assigns and transfers unto _____

the within bond and all rights thereunder and hereby irrevocably constitutes and appoints attorney to register the transfer of the bond on the books kept for registration thereof, with full power of substitution in the premises .

Dated: _____

NOTICE: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

SCHEDULE I

<u>Maturity Date</u>	<u>Principal Installments</u>
September 1, 2006	\$285,000
September 1, 2007	295,000
September 1, 2008	305,000
September 1, 2009	315,000
September 1, 2010	325,000
September 1, 2011	335,000
September 1, 2012	350,000
September 1, 2013	360,000
September 1, 2014	370,000
September 1, 2015	385,000
September 1, 2016	400,000
September 1, 2017	415,000
September 1, 2018	425,000
September 1, 2019	440,000
September 1, 2020	455,000
September 1, 2021	475,000
September 1, 2022	490,000
September 1, 2023	505,000
September 1, 2024	525,000
September 1, 2025	545,000

Payment of each principal installment and the interest on the Series 2005 Bond which is payable and is punctually paid or duly provided for shall be made by the Bond Registrar on each principal and each interest payment date to the person in whose name such Bond (or one or more Predecessor Bonds) is registered on the registration books of the City at the close of business on the Regular Record Date by check mailed to such person at his address as it appears on such registration books or, if so instructed by the registered owner of the Series 2005 Bond (which instructions shall remain in effect until revoked by subsequent written instructions), by wire transfer to an account in the continental United States.

A special construction account is hereby created in the Construction Fund and designated "Greenville Utilities Commission Series 2005 Bond Construction Account" (the "Series 2005 Bond Construction Account"), to the credit of which such deposits will be made as are required by the provisions of Section 210 of the Order. The moneys in the Series 2005 Bond Construction Account shall be applied to pay the Cost of the Additional Improvements described

in Appendix A hereto in accordance with the provisions of the Order.

Subject to the provisions of Article IV of the Order, any interest earned or other income derived from the investment or deposit of moneys held for the credit of the Series 2005 Bond Construction Account shall be retained by the Trustee in the Series 2005 Bond Construction Account.

Simultaneously with the delivery of the Series 2005 Bond, the Trustee shall apply the proceeds of the Series 2005 Bond, including any amount received as accrued interest, as follows:

the amount, if any, received as accrued interest on the Series 2005 Bond shall be deposited to the credit of the Interest Account; and the balance of such proceeds shall be deposited to the credit of the Series 2005 Bond Construction Account.

Subject to the provisions of Section 507 of the Order, the Commission shall, on or before the twentieth (20th) day of the months hereinafter specified, withdraw from the Operating Checking Account moneys held for the credit of the Appropriate Operating Funds in such amounts as shall be necessary for the purpose of making the transfers or deposits to be made pursuant to clauses i) and (b) of this Section:

Commencing on February 20, 2005, and continuing on the 20th day of each August and February thereafter, to the Trustee for deposit to the credit of the Interest Account, such amount thereof (or the entire sum so withdrawn if less than the required amount) as is equal to the amount of interest to become due and payable on the Series 2005 Bond on the next ensuing interest payment date thereafter, after taking into account any amounts then held for the credit of the Interest Account for the payment of such interest.

Commencing on August 20, 2006, and continuing on the 20th day of each August thereafter, to the Trustee for deposit to the credit of the Principal Account created by the Order, such amount, if any, of the balance remaining after making the transfer under clause (a) above (or the entire balance if less than the required amount) as is sufficient to make full and timely payment of the principal installment of the Series 2005 Bond to become due and payable on September 1, after taking into account any amounts then held for the credit of the Principal Account created by the Order for the payment of such principal.

The City hereby represents that it reasonably expects that it and all subordinate entities thereof will not issue more than \$8,000,000 of tax-exempt obligations (not counting private-activity bonds except for qualified 501(c)(3) bonds as defined in the Internal Revenue Code of 1986, as amended (the "Code")) during calendar year 2005. In addition, the City hereby designates the Series 2005 Bond as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code.

In the event that there is a final determination by the Internal Revenue Service or a court of competent jurisdiction that, from the date of issuance, the Series 2005 Bond is not bank qualified, the interest rate to be paid on the Series 2005 Bond will be increased 100 basis points (1.0%) retroactive to the date of issuance.

The City Council hereby requests the Local Government Commission of North Carolina (the

“LGC”) to award the Series 2005 Bond at private sale without advertisement to Bank of America, N.A. in the amount and at the interest rate set forth in this Resolution at a price of not less than the face value of the Series 2005 Bond plus any interest accrued thereon from the date thereof to the date of delivery of and payment therefor, subject to the approval thereof by the City Manager of the City or the Finance Director of the City. If the LGC awards the Series 2005 Bond as hereinabove requested to Bank of America, N.A. the provisions of the Bond Purchase Agreement between Bank of America, N.A. and the LGC relating to the purchase of the Series 2005 Bond (the “Bond Purchase Agreement”) and presented to the City Council for its consideration are hereby approved in all respects, and the City Manager of the City or the Finance Director of the City is hereby authorized to signify such approval by the execution of the Bond Purchase Agreement in substantially the form presented, such execution to be conclusive evidence of the approval thereof by the City.

The City shall deliver to Bank of America, N.A. in each Fiscal Year the following:

A copy of any report by an Appropriate Consultant under Section 501 of the Order;

Within 30 days after its adoption, a copy of the Annual Budget; and

Within 150 days after the close of each Fiscal Year, a copy of the audit report for such Fiscal Year and the other documents to be prepared in connection with such audit report as required by Section 712 of the Order.

The City also agrees to provide to Bank of America, N.A. within ten (10) days after the City’s receipt thereof, a copy of any letter of Moody’s or S&P reducing the rating assigned to any Combined Enterprise System Revenue Bonds issued under the Order.

Notwithstanding any other provisions of the Order or this Resolution, the Bond Registrar shall not register the transfer of the Series 2005 Bond to any person other than a bank, an insurance company or a similar financial institution unless such Bond is rated “BBB-” or higher by Standard & Poor’s Ratings Group or “Baa3” or higher by Moody’s Investors Service, Inc. or such transfer has been previously approved by the LGC. This section may not be amended without the prior written consent of the LGC.

The officers, agents and employees of the City and the Commission and the officers and agents of the Trustee and the Bond Registrar are hereby authorized and directed to do all acts and things required of them by the provisions of the Series 2005 Bond, the Order, the Bond Purchase Agreement and this Resolution for the full, punctual and complete performance of the terms, covenants, provisions and agreements therein.

This Resolution shall take effect immediately upon its adoption.

Adopted this the 9th day of June, 2005.

Robert D. Parrott

Mayor

ATTEST:

Wanda T. Elks
City Clerk

APPENDIX A

DESCRIPTION OF THE ADDITIONAL IMPROVEMENTS

The Additional Improvements are those additional improvements included in the capital improvement program for the Combined Enterprise System, including but not limited to:

- 1. Project: WASTEWATER SYSTEM:** Wastewater Treatment Plant
Biosolids Dewatering Facility

Description: This Sewer Fund project involves the construction of a building to house two (2) two-meter belt filter presses, polymer feed system, instrumentation and controls, piping and all other necessary appurtenances. This project is currently under construction.

Cost: \$4,000,000

-
- 2. Project: ELECTRIC SYSTEM:** Winterville to Bells Fork 115 kV
Transmission Line

Description: The design and construction of a 3.0 mile 115 kV electrical transmission line to serve the Bells Fork Substation. The transmission line corridor will leave the Commission's Winterville Substation and travel along Firetower Road across the Tar Road to the Bells Fork Substation. The transmission line will be constructed for future continuation to the Commission's Hollywood Substation. The pole line structure will also support a 35 kV class sub-transmission line and a 15 kV class distribution line.

Cost: \$1,500,000

-
- 3. Project: ELECTRIC SYSTEM:** Winterville Substation Expansion

Description: The design and construction of an expansion to the existing Winterville Substation. The expansion of this electrical substation will double the capacity to 40 MVA and provide electrical service to Greenville Utilities' south central service area. The expansion project will be equipped with a 115 to 13.2 kV, 20

MVA transformer with an LTC. The substation will increase from 4 to 7 electrical circuits. The substation is located on West Firetower Road next to the CSX railroad.

Cost: \$1,000,000

4. Project: WATER SYSTEM: Purchase of certain assets of the Bell Arthur Water System

Description: In early 2005 Greenville Utilities Commission entered into an agreement with the Bell Arthur Water System to purchase certain assets of the system. The Commission used cash reserves to fund the purchase with the expectation that some portion of the purchase cost would be reimbursed from a future borrowing. The Commission is reimbursing itself for a portion of the purchase price with this borrowing.

Cost: \$1,343,000

After consideration of the foregoing resolution, motion was made by Mayor Pro-Tem Miller and seconded by Council Member Craft to adopt the resolution authorizing the issuance of an \$8,000,000 Greenville Utilities Commission combined enterprise system revenue bond, Series 2005, of the City of Greenville, North Carolina, pursuant to the provisions of Section 210 of the Bond Order adopted by the City Council on August 11, 1994, amended and restated on April 13, 2000, and requesting the Local Government Commission of North Carolina to award the bonds at private sale. Motion carried unanimously. (Resolution No. 05-44)

ESTABLISHMENT OF TOBACCO ROAD AREA PARK – APPROVED

Motion was made by Council Member Craft and seconded by Council Member Dunn to approve the appropriation of \$10,000 from the City Council contingency to purchase and install playground equipment at the proposed Tobacco Road park and authorize the City Manager to execute a lease with the Brookhill Homeowners Association for use of the former tennis court property as a City park. Motion carried unanimously.

ACCEPTANCE OF GRANT AWARD FROM NORTH CAROLINA DEPARTMENT OF CULTURAL RESOURCES TO CONDUCT ARCHITECTURAL SURVEY OF DICKINSON AVENUE CORRIDOR AND PREPARE NOMINATION FOR LISTING IN THE NATIONAL REGISTER OF HISTORIC PLACES – APPROVED

Mr. Neil Holthouser, stated that the City has been selected by the North Carolina Department of Cultural Resources to receive grant funding through the National Park Service's Historic Preservation Fund for an architectural survey and National Register nomination of the Dickinson Avenue Corridor. The grant could potentially result in the designation of Dickinson Avenue as a National Register Historic District, qualifying properties within the district for significant state

and federal rehabilitation tax credits. The potential district is bounded by Reade Street to the north, Tenth Street to the south, and would include portions of Eighth, Ficklen, Ninth, Grande, Carolina, and Atlantic Streets. The total project budget is \$7,000. The City has been awarded \$4,200 in grant funding, and Uptown Greenville has committed \$2,500 to satisfy the local match requirement. The City will contribute \$300 in-kind in the form of staff time and resources. The State will have no regulatory authority to control the design. The only exception is that a review will be triggered if tax credits or state/federal funds are requested. The Department of Transportation will already be involved in Tenth Street because of the Warehouse District. This would become another potential factor. Their review will be in place anyway. Nomination will be sent directly to the State and Federal government to see if it qualifies for a district. Uptown Greenville has expressed a willingness to pursue this grant if the City does not do so.

Motion was made by Council Member Craft and seconded by Council Member Dunn to accept the grant award in the amount of \$4,200. Motion carried unanimously. (Contract No. 1414)

CONSIDERATION OF MUNICIPAL AGREEMENT WITH NORTH CAROLINA DEPARTMENT OF TRANSPORTATION SOUTH TAR RIVER GREENWAY PROJECT – APPROVED

Motion was made by Council Member Craft and seconded by Council Member Dunn to adopt the resolution indicating approval of the municipal agreement with NCDOT for the South Tar River Greenway Project (E-4702). Motion carried unanimously. (Resolution No. 05-45; Contract No. 1415)

AWARD OF CONTRACT FOR GREENVILLE BOULEVARD/MEMORIAL DRIVE CORRIDOR STUDY - APPROVED

Motion was made by Council Member Craft and seconded by Council Member Dunn to award a professional services contract to Stantec Consulting Services, Inc. in the amount of \$84,197.24 for the Greenville Boulevard/Memorial Drive Corridor Study. Motion carried unanimously. (Contract No. 1416)

CONSIDERATION OF APPROVAL OF AN APPLICATION FOR AFTER-SCHOOL TECHNICAL ASSISTANCE FROM THE NATIONAL LEAGUE OF CITIES - APPROVED

Motion was made by Council Member Craft and seconded by Council Member Dunn to approve the submittal of an application to the National League of Cities for the after-school technical assistance program and authorize the Mayor to send a letter of approval. Motion carried unanimously. (Document No. 05-06)

RESOLUTION AUTHORIZING THE SALE OF CITY PROPERTY ON EIGHTH STREET BY THE UPSET BID PROCESS – ADOPTED

Motion was made by Council Member Craft and seconded by Council Member Dunn to adopt the resolution authorizing the sale by the negotiated offer, advertisement and upset bid method. Upon the conclusion of the process, the final qualifying upset bid (or the initial offer if no

qualifying upset bids are received) will be reported to Council and City Council may decide to accept or reject the bid or offer. Motion carried unanimously. (Resolution No. 05-46)

CITY MANAGER GOALS AND PERFORMANCE OBJECTIVES FOR 2005 - APPROVED

Motion was made by Council Member Craft and seconded by Council Member Dunn to approve the proposed City Manager goals and performance objectives for 2005. Motion carried unanimously. Those goals and objectives included:

1. Facilitate the annual City Council Planning Session
2. Establish a staff investment committee and improve investment earnings
3. Coordinate with community arts supporters and Uptown Greenville the feasibility of a live theater venue in the downtown area
4. Develop a commercial maintenance code to better enforce building deficiencies in non-residential structures
5. Monitor the redevelopment efforts for the 45-Block Revitalization Program and provide regular status updates to the City Council
6. Improve the overall effectiveness of City code enforcement activities
7. Facilitate the work of the joint Greenville/Winterville/Greenville Utilities Commission Committee
8. Complete the Chamber of Commerce Leadership Institute
9. Participate in negotiations with East Carolina University on the downtown hotel/alumni center project
10. Develop a better citizen complaint/request for service tracking system
11. Monitor the Airport Economic Stimulus Plan Agreement with the Airport Authority
12. Present to the City Council a balanced FY 2005-2006 budget proposal with no property tax increase
13. Begin planning efforts to implement a two-year budget process in 2006
14. Work with the Police Department to develop a strategy for expanding community-policing efforts
15. Prepare an updated and expanded Affirmative Action Statement for City Council consideration

REPORT ON BIDS AWARDED

City Manager Wayne Bowers referred the Council to bids that had been awarded as follows:

<u>Date</u>	<u>Item Description</u>	<u>Awarded To</u>	<u>Amount</u>
04/26/2005	Replace Core Switch at City Hall	SBC Datacom	\$84,606.70

COMMENTS FROM MAYOR AND CITY COUNCIL MEMBERS

Recognition of Community Appearance Commission Awards

Council Member Craft stated that the Community Appearance Commission awards in May were awarded to the Recreation & Parks Department for the entrance to the Greenville Aquatics and Fitness Center on Staton Road, Jarvis Memorial United Methodist Church on Greene Street, and the Kappa Delta Sorority House on Tenth Street.

The Council expressed their condolences to the Council family on the loss of Walter Council's mother.

Council Member Glover thanked the staff and City Manager for a smooth budget process. She stated that she liked the goals of the City Manager.

Council Member Glover stated that the meeting at Mt. Calvary to discuss the violence went well. Captain Hardy of the Greenville Police Department has put in a tremendous amount of work on this. She thanked him, the Sheriff, Police Department and anyone else who is working to eliminate the violence.

Mayor Pro-Tem Miller stated that he is looking forward to the July vacation.

Council Member Dunn stated that she hopes everyone has a nice vacation.

Mayor Parrott welcomed Council Member Glover back.

Mayor Parrott thanked Mayor Pro-Tem Miller for conducting the meeting Monday night.

Mayor Parrott announced that he has a new granddaughter, and that is the reason he did not attend the June 6 meeting.

COMMENTS FROM THE CITY MANAGER

City Manager Bowers thanked the Council for its support during the budget process. Staff worked hard on putting the budget together. The Financial Services Department deserves the accolades.

ADJOURN

Motion was made by Council Member Glover and seconded by Council Member Craft to adjourn the meeting at 10:00 p.m. Motion carried unanimously.

Respectfully submitted,

Wanda T. Elks
City Clerk